

Exhibit 26

DECLARATION OF BRANDON PADILLA

1. My name is Brandon Padilla, and I am over the age of 18 and fully competent to testify.
2. I am the president and owner of Division 80 LLC.
3. Division 80 is a company headquartered in Galveston County, Texas. Division 80's principal business is the distribution of frame and receiver blanks, jigs, and tools to build frames and receivers to law-abiding businesses across the country that lawfully market the products to retail consumers.
4. The products that Division 80 distributes are shipped to our headquarters from out of state.
5. Division 80 then ships the products to businesses across the country that place orders for them and sell them to retail consumers.
6. Most of our customers are out of state.
7. Division 80 does not hold a federal firearms license. It is my understanding based on decades of precedential classification determinations issued by the Bureau of Alcohol, Tobacco, Firearms, and Explosives ("ATF") that frame and receiver blanks are not sufficiently complete to be classified as the "frame or receiver" of a firearm and thus are not firearms. Consistent with longstanding ATF policy, Division 80 is not currently required to hold a federal firearms license to distribute its products, as they are not firearms.

8. The Final Rule entitled “Definition of a ‘Frame or Receiver’” (ATF Docket No. 2021R-05) repudiates those classification determinations and attempts to treat frame and receiver blanks as regulated firearms. It also imposes extensive identification and recordkeeping requirements on privately made firearms.

9. The consumers for the products that Division 80 distributes are sensitive issues of cost and convenience. If frame and receiver blanks were treated the same as regulated firearms, and privately made firearms were subject to the onerous regulations imposed by the Final Rule, the regulatory costs, bureaucratic red tape, and extensive recordkeeping requirements would cause a dramatic reduction in consumer demand for frame and receiver blanks.

10. If the Final Rule takes effect, consumer demand for Division 80’s products will be largely wiped out.

11. If the Final Rule takes effect, Division 80’s out-of-state suppliers will be forced to dissolve their businesses and Division 80 will no longer have products to sell.

12. If the Final Rule takes effect, it will be illegal for Division 80 to continue doing business because Division 80 does not have a federal firearms license.

13. For these reasons, if the Final Rule takes effect, Division 80 will be put out of business.

14. The Final Rule's Regulatory Impact Analysis and Final Regulatory Flexibility Analysis states on page 32 that: "ATF estimates it will be unlikely that a significant number of non-FFLs will opt to become FFLs," and non-FFLs will instead "end up dissolving their businesses."¹ On page 42 of the analysis, ATF states that "companies going out of business will cause unemployment." And in its cost-benefit analysis on page 114, ATF states that "[m]ost costs are attributed to non-FFL manufacturers and dealers dissolving because of the final rule."

15. I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 2, 2022.



Brandon Padilla

¹ <https://www.atf.gov/firearms/docs/rulemaking/ria-final-rule-2021r-05f-definition-frame-or-receiver-and-identification/download>